

File Number M/057/003

Effective Date \_\_\_\_\_

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION of OIL, GAS and MINING  
355 West North Temple  
3 Triad Center, Suite 350  
Salt Lake City, Utah 84180-1203  
(801) 538-5340

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APR 03 1992

DIVISION OF  
OIL GAS & MINING

RECLAMATION CONTRACT

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For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.) M/057/003  
(Mineral Mined) Shale

"MINE LOCATION":  
(Name of Mine) Pleasant View Pit  
(Description) 3 miles north of Pleasant View, Utah  
Box Elder and Weber County

"DISTURBED AREA":  
(Disturbed Acres) 12.0 +/-  
(Legal Description) (refer to Attachment "A")

"OPERATOR":  
(Company or Name) Interpace Industries, Incorporated  
(Address) 736 West Harrisville Road  
P. O. Box 12118  
Ogden, Utah 84412  
(Phone) (801) 782-7933

"OPERATOR'S REGISTERED AGENT":

(Name)

(Address)

(Phone)

Dennis L. Rhine

736 West Harrisville Road

P. O. Box 12118

Ogden, Utah 84412

801-782-7933

"OPERATOR'S OFFICER(S)":

Jon J. Rhine

Dennis L. Rhine

Charles T. Tabanacci

"SURETY":

(Form of Surety - Exhibit B)

Irrevocable Letter of Credit

"SURETY COMPANY":

(Name, Policy or Acct. No.)

Seattle First National Bank

G186310

"SURETY AMOUNT":

(Escalated Dollars)

\$3,800

"ESCALATION YEAR":

1997 dollars

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

EXHIBITS:

Revision Dates:

A "DISTURBED AREA":

B "SURETY":

12/4/91

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Interpace Industries Inc the "Operator" and the Utah State Board of Oil, Gas and Mining ("Board").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. M/057/003 which has been approved by the Utah State Division of Oil, Gas and Mining "Division" under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved Reclamation Plan, and Operator is obligated to provide surety in form and amount approved by the Board, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Board and the Operator agree as follows:

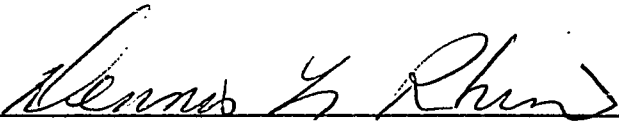
1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the Notice of Intention, and the Reclamation Plan. The Notice of Intention as amended, and the Reclamation Plan, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Board. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Exhibit B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Board in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Board. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections

are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the (Board) that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The (Board) shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.


7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Board to substitute surety. The Board, in its sole judgment and discretion, may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Division, or Board, as appropriate, may revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.

13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

SO AGREED this 22<sup>nd</sup> day of April, 19 92.

  
\_\_\_\_\_  
Operator Interpace Industries, Incorporated  
Dennis L. Rhine - Vice-President

AND APPROVED AS TO FORM AND AMOUNT OF SURETY:

BY   
\_\_\_\_\_  
James W. Carter, Chairman  
Utah State Board of Oil, Gas and Mining

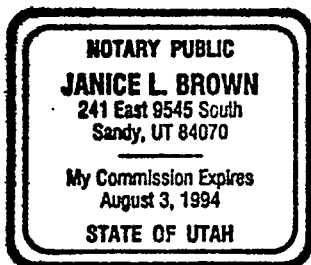
DIVISION OF OIL, GAS AND MINING:

By *Dianne R. Nielson*  
Dianne R. Nielson, Director

4-22-92  
Date

STATE OF Utah )  
COUNTY OF Salt Lake ) ss:

On the 22<sup>nd</sup> day of April, 19 92, personally  
appeared before me, who being duly sworn did say that he/she, the said  
DIANNE R. NIELSON is the Director of the Division of Oil,  
Gas and Mining, Department of Natural Resources, State of Utah, and he/she duly  
acknowledge to me that he/she executed the foregoing document by authority of law  
on behalf of the State of Utah.



*Janice L. Brown*  
Notary Public  
Residing at: Sandy, Utah

August 3, 1994  
My Commission Expires:

OPERATOR:

Interpace Industries, Incorporated  
Operator Name

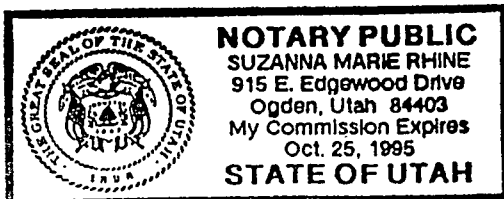
By Dennis L. Rhine, Vice-President  
Corporate Officer - Position

4/2/92  
Date

Dennis L. Rhine  
Signature

STATE OF Utah )  
COUNTY OF Weber ) ss:

On the 2nd day of April, 19 92, personally  
appeared before me Dennis L. Rhine who  
being by me duly sworn did say that he/she, the said Dennis L. Rhine  
is the Vice President of Interpace Industries, Inc.  
and duly acknowledged that said instrument was signed on behalf of said company  
by authority of its bylaws or a resolution of its board of directors and said  
Dennis L. Rhine duly acknowledged to me that said  
company executed the same.



Suzanna Marie Rhine  
Notary Public  
Residing at: 915 E. Edgewood Dr.

October 25, 1995  
My Commission Expires:

SURETY:

N/A for Letter of credit

\_\_\_\_\_  
Surety Company

By \_\_\_\_\_  
Company Officer - Position

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

STATE OF \_\_\_\_\_ )  
COUNTY OF \_\_\_\_\_ ) ss:

On the \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_\_, personally  
appeared before me \_\_\_\_\_ who  
being by me duly sworn did say that he/she, the said \_\_\_\_\_  
is the \_\_\_\_\_ of \_\_\_\_\_  
and duly acknowledged that said instrument was signed on behalf of said company  
by authority of its bylaws or a resolution of its board of directors and said  
\_\_\_\_\_ duly acknowledged to me that said  
company executed the same.

\_\_\_\_\_  
Notary Public  
Residing at: \_\_\_\_\_

\_\_\_\_\_  
My Commission Expires:

NOTE: An affidavit of Qualification must be completed and attached to this  
form for each authorized agent or officer. Where one signs by virtue of Power of  
Attorney for a company, such Power of Attorney must be filed with this Contract.



**ATTACHMENT "A"**

Interpace Industries, Inc.  
Operator

Pleasant View Pit  
Mine Name

M/057/003  
Permit Number

Weber County, Utah

**The legal description of lands to be disturbed is:**

S/2 SE/4 of Section 13; Township 7 North, Range 2 West, SLBM